

## Message Text

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ACTION AF-06

INFO OCT-01 ISO-00 SP-02 L-03 EB-07 STR-04 COME-00 TRSE-00

CIEP-01 OPIC-03 CIAE-00 INR-07 NSAE-00 PM-04 NSC-05

SS-15 DODE-00 AID-05 IGA-01 /064 W

----- 122178

P 240900Z OCT 75

FM AMEMBASSY NAIROBI

TO SECSTATE WASHDC PRIORITY 5825

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E.O. 11652: N/A

TAGS: BDIS, CPRS, EINV, EAID, OPIC, KE

SUBJECT: SAUL RUBY MINE

REF: STATE 231938

1. I AM CONCERNED ABOUT POSSIBILITY OF MORE PUBLICITY  
ON SAUL RUBY MINE CASE IF GOK DOES NOT MAKE REASONABLE  
OFFER OF COMPENSATION TO SAUL SOON. I WISH TO HEAD OFF  
ANY DETERIORATION OF BILATERAL RELATIONS OVER THIS ISSUE  
BY HELPING SAUL'S LAWYERS MOVE HIS CLAIM FOR COMPENSATION  
OFF DESK OF MNISTER FOR NATURAL RESMARCES STANELY S.  
OLE OLOITIPITIP WHERE IT IS LODGED UNDER OTHER ACTION-  
ITEMS THE MINISTER HAS NOT ADDRESSED. UNLESS DEPARTMENT  
OBJECTS, I INTEND TO DELIVER FOLLOWING LETTER TO  
MINISTER  
NEXT WEEK. VERBATIM TEXT REVIEWED BY REDSO  
LAWYERS JONES AND LESTER.

2. QUOTE. DEAR MINISTER:  
HAVING DISCUSSED THE MATTER WITH YOU PERSONALLY, THIS  
LETTER IS BY WAY OF REVIEWING A SUBJECT OF SOME CON-  
CERN TO ME. IT IS MY SINCERE HOPE THAT BY OUR  
MEETING  
AND THIS LETTER THE MATTER CAN BE SUCCESS-  
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FULLY AND SPEEDILY RESOLVED.

3. THE SUBJECT IS MR. JOHN SAUL'S REQUEST FOR SETTLEMENT ON THE RUBY MINE. HIS ADVOCATES, KAPLAN AND STRATTON, HAVE ADVISED ME THAT NO CONCLUSIVE ACTION HAS BEEN TAKEN ON THE CASE BY THE KENYAN GOVERNMENT AND THAT ANY ACTION THAT IS TO BE TAKEN NOW RESTS WITH YOU. THEY HAVE ASKED ME, ON BEHALF OF THEIR CLIENT, TO APPROACH YOU.

4. IT IS MY UNDERSTANDING THAT THE PRESENT POSITION IS AS FOLLOWS: REPORTS WERE PREPARED BY A SWISS GEOLOGIST AND A GEMSTONE EXPERT; THOSE REPORTS WERE SUBMITTED TO THE KENYAN GOVERNMENT LAST MARCH. REPORTS PREPARED BY YOUR GOVERNMENT'S OWN EXPERTS WERE SUBMITTED AT THE SAME TIME, AND KAPLAN AND STRATTON WERE PROMISED THAT THE KENYAN GOVERNMENT WOULD MAKE AN OFFER TO MR. SAUL BY THE END OF APRIL. I AM ADVISED THAT SEVERAL REPRESENTATIONS WERE MADE TO YOU SINCE MAY, BUT TO DATE NO OFFER HAS BEEN FORTHCOMING. KAPLAN AND STRATTON ASSURE ME THAT YOU HAVE BEEN PROVIDED WITH APP THE NECESSARY FACTS WITH WHICH TO MAKE A DECISION. THEY FURTHER INFORM ME THAT THE NEXT STEP NECESSARY IS FOR YOU TO CONSULT WITH THE ATTORNEY GENERAL ON THE LEGAL ASPECTS OF ANY OFFER TO SETTLE THIS CLAIM, AND THEREAFTER TO OBTAIN THE AGREEMENT OF THE KENYAN TREASURY IN ORDER TO PAY WHATEVER AMOUNT IS ACCEPTED BY KAPLAN AND STRATTON'S CLIENT.

5. IF THE ABOVE DOES NOT ACCURATELY SET FORTH YOUR UNDERSTANDING OF THE MATTER, I WOULD APPRECIATE BEING SO INFORMED. IF IT DOES, I RESPECTFULLY REQUEST YOU TO EXPEDITE THIS CASE SO THAT IT MAY BE PERMANENTLY SETTLED TO THE MUTUAL SATISFACTION OF ALL PARTIES CONCERNED.

6. MY PARTICULAR INTEREST IN APPROACHING YOU ON THIS MATTER GOES BEYOND THE INTERESTS OF COMPENSATION TO A PRIVATE AMERICAN CITIZEN. FIRST OF ALL, THIS CASE HAS--I BELIEVE YOU AGREE--ALREADY LIMITED OFFICIAL USE

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RECEIVED TOO MUCH PUBLICITY. IT MOST EMPHATICALLY WOULD NOT BE IN THE INTEREST OF EITHER OF OUR GOVERNMENTS TO HAVE ANY FURTHER PUBLICITY, UNLESS IT IS TO INDICATE A MUTUALLY SATISFACTORY SETTLEMENT.

7. MOREOVER, IF A SATISFACTORY RESOLUTION OF THIS MATTER IS NOT ACHIEVED, IT MUST BE RECOGNIZED THAT UNDER UNITED STATES LEGISLATION THERE ARE SERIOUS

IMPLICATIONS FOR MY GOVERNMENT'S PROGRAMS WHICH PROVIDE ASSISTANCE TO KENYA AND PROMOTE BUSINESS INVESTMENT IN KENYA. THESE LAWS BEAR NOT ONLY ON THE CARRYING OUT OF FOREIGN ASSISTANCE, CERTAIN FOOD SALES AND INVESTMENT GUARANTY PROGRAMS, BUT ALSO ON OTHER ACTIVITIES OF THE UNITED STATES GOVERNMENT, SUCH AS THE EXTENSION OF SPECIAL TARIFF OR CUSTOMS BENEFITS UNDER THE GENERALIZED SYSTEM OF PREFERENCES PROVIDED FOR IN OUR TRADE ACT OF 1974. THE URGENCY OF THE PRESENT SITUATION CAN BE SEEN IN THE FACT THAT UNDER CERTAIN CIRCUMSTANCES THE PRESIDENT OF THE UNITED STATES MUST TAKE ACTION WITHIN SIX MONTHS AFTER AN EXPROPRIATORY OR OTHER PROSCRIBED ACT BY A FOREIGN GOVERNMENT, AND THIS STATUTORY DEADLINE IS NOW VERY MUCH IN ISSUE.

8. I SHALL LOOK FORWARD TO HEARING FROM YOU REGARDING THIS MATTER, AND WISH TO ASSURE YOU OF MY PERSONAL INTEREST IN ASSISTING YOU AND YOUR GOVERNMENT IN ANY WAY POSSIBLE TOWARD ITS RESOLUTION.

SINCERELY,

W

ANTHONY D. MARSHALL

AMERICAN AMBASSADOR UNQUOTE.

9. COMMENT: AID/K HAS CLEARED TEXT WITH EXCEPTION THAT AID/K THINKS LINE 5 PARA 7 ABOVE SHOULD READ QUOTE ECONOMIC AND MILITARY ASSISTANCE UNQUOTE. AID/K BELIEVES GENERIC WORD QUOTE ASSISTANCE UNQUOTE MAY NOT SUFFICIENTLY CONVEY IDEA THAT MILITARY ASSISTANCE COULD CONCEIVABLY BE AFFECTED. AMBASSADOR HAS DISAPPROVED THIS RECOMMENDATION. LIMITED OFFICIAL USE

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REFERENCE TO MILITARY ASSISTANCE UNNECESSARILY RAISES SENSITIVE ISSUE STILL UNDER RESTRICTED DISCUSSION EVEN WITHIN GOK, AND SUCH ASSISTANCE IS NOT WITHIN MINISTER'S COMPETENCE. MOREOVER, USE OF GENERIC WORD QUOTE ASSISTANCE UNQUOTE DOES NOT EXCLUDE MILITARY ASSISTANCE. MARSHALL

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** GEMS, BUSINESS LOSSES, MINING INDUSTRY, ATTORNEYS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 24 OCT 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** woolflhd  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975NAIROB09298  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750370-0427  
**From:** NAIROBI  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19751020/aaaaarlm.tel  
**Line Count:** 161  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION AF  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 75 STATE 231938  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** woolflhd  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 27 AUG 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <27 AUG 2003 by BoyleJA>; APPROVED <12 DEC 2003 by woolflhd>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
06 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** SAUL RUBY MINE  
**TAGS:** BDIS, CPRS, EINV, EAID, KE, OPIC  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006